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HOW ALBERTA IS FIGHTING FINANCE

"WHAT ALBERTA MAKES MAKES ALBERTA"

The British public which has been taught by its newspapers to say that 'Social Credit failed in Alberta' knows that there is something wrong about this even while it says it.

What is it that is wrong about it?

The following statement answers this question :—

William Aberhart, the Premier of the Province of Alberta, had been in power for five years when he sought re-election in 1940—and won it.

Major C. H. Douglas, whose demonstration of what is possible in a modern community in the way of 'Life, and Life more abundant' had inspired Aberhart to promise its attainment to the people of Alberta, said of this second victory :—

"After years of careful preparation every trick that is known to the underworld, and some that are not, has been employed, to confuse, intimidate, and bribe the electorate into 'ridding the Province of Social Credit.' They have all failed. Rivers of dollars have poured into the towns for the same purpose—and have, it is hoped, permanently added to provincial purchasing power.

"It is, of course, perfectly well understood in Wall Street, Lombard Street, and Moscow that a world issue was at stake in Alberta—and Liberals, Conservatives, Socialists, and Communists all disappeared to be replaced by 'Independents,' each with a nice little local policy for election purposes—to make it impossible for a Government not controlled by Finance ever to get back to power.

Radio, Press, Pulpit—all were manipulated. The Alberta Electorate remained almost completely silent—and then voted the Social Credit Party* back to power with a majority, which is probably stronger than ever before."

What story does the record have to tell?

What has the Social Credit Government of Alberta done, and what has it *not* done because the Federal Government of Canada, or the Lieutenant-Governor, or the Supreme Court of Canada or the Privy Council—all bent single-mindedly upon the one policy of preventing the declared will of the electorate from prevailing—stood in the way?

The answer is given in Mr. Hand's pamphlet, *The Case for Alberta*, from which the following particulars are taken.

Thirty years of Liberal and United Farmers' Association rule resulted in the following legacy inherited by the Aberhart Government:—

Provincial Debt (Nil in 1905)	\$161,000,000
Municipal Debt	\$ 70,000,000
Mortgage Debt	\$200,000,000
Private Debt	\$171,000,000
Total	<hr/> \$602,000,000

Business failures (in five years)	307
Registered unemployed	7,406 family heads
Inadequate health services	
Unpaid teachers' salaries	\$250,000

All this in a land of plenty, with elevators and stores crammed full, mines and forests standing idle, oil in abundance unused, and enough live stock, dairy, poultry and garden produce for all.

This was the Aberhart Government's starting point.

THE ACCOMPLISHMENT

The Hon. Solon Low, Provincial Treasurer, in introducing the Bill for the institution of a system of Treasury

*The Albertan Party led by Mr. Aberhart.

Branches designed to facilitate trade within the Province, —a part of the famous 'Interim Programme'—summed up the position thus :—

"After demonstrating that every action to secure for the people of the Province the economic reforms they desired could be blocked from the top, and after repeated threats from the banks to withdraw essential services from various points in the Province, the Government, in obedience to a wide demand, prepared plans to give the people facilities for deriving increased benefits themselves through co-operation."

Opposition, chiefly from combines whose headquarters lay outside the Province, has been fomented; but the system has shown what might be done without the actual creation of credit instruments—an activity which is still the monopoly of the great banking 'interests.' Here are some other results of the measures which form part of the 'Interim Programme' :—

In the first year, the provincial debt fell \$900,000; in the second \$700,000; in the third \$1,400,000—a total of \$3,000,000 *while the debts of other provinces in Canada were increasing.* Interest payments were cut by 50 per cent. and \$3,464,957 worth of Savings Certificates were redeemed.

Income Account Revenue rose by \$2,243,594, accounted for by (a) revenue increases without tax increases and (b) tax increases on financial corporations *not paid by the public* (\$353,843).

Social and other public services increased.

While Saskatchewan, from 1936–9, had \$7,502,000 worth of maturities refunded and the Dominion cancelled \$26,679,996 worth of Treasury Bills, there was discrimination against Alberta in the same period, and the financiers' refusal of assistance resulted in defaults totalling \$11,855,200.

Education was extended and improved, the cost reduced, and teachers' unpaid salaries paid off.

Improvement in health services resulted in a decrease of 12 per cent. in the death rate; Alberta had in 1938 *the largest tubercle-free area in the Empire.*

The Government passed the first general wage order in Canada, extended the scope and efficiency of previous wage acts, passed a Tradesmen's Qualification Act, enforced the Industrial Standards Act and at the outbreak of war was in the vanguard of progress in regard to Labour Legislation.

New industries have been opened up and payrolls (industrial) rose from \$62,000,000 in 1934 to \$75,000,000 in 1938. Employment increased 20 per cent. Trade increased. Manufactures increased. Construction increased 134 per cent. Minerals increased 56 per cent. In farming, a bull exchange policy and a boar exchange policy banished debt, and a hog policy raised the quality, as measured by the 'selects' market, 36.5 per cent. Improvements were effected on farms. Butter and cheese qualities improved. Families beaten by the debt-system were re-established and most became self-supporting in four years.

Roads have been built with up-to-date efficiency, without increasing debt, whereas before 1935 the Edmonton to Calgary road was gravelled at a cost of \$2,358,030. This investment was gone in 10 years, leaving \$1,164,447 of debt as a continuing burden.

Alberta is producing 97 per cent. of Canada's oil and 70 per cent of Canada's gas.

Alberta fire premiums in 1935-38 amounted to \$12,722,831. Only \$4,432,320 was paid out on fire losses.

So Alberta can tell the world what happens to Insurance profits? or won't the Federal Government let it?

Bureaucracy? The Civil Service Staff increased from 2,907 to 3,324, not much; and the increase was due to Debt Adjustment Board work and the King's Printer doing the people's work effecting a saving of forty to fifty per cent. —\$100,000 a year—and other causes.

In the Treasury Branch organisation, also, the Province has the germ of an exchange system run in the public interest.

This is a part of what the Alberta Government has done while trying, in face of hidden opposition using the

Federal Government and other administrative agencies as its tools, to carry out the will of the people of Alberta.

How has democracy been denied? An Albertan says :—

DEMOCRACY DENIED

During the past three years there has been a most deliberate and unjustifiable attempt to block every measure designed to relieve the suffering and want which exists throughout the Province. Everything that could be done to deceive the people has been done. Propaganda has been used over the air, on public platforms and in the newspapers, which is an iniquity and a disgrace to any civilised people.

The people elected the Government to achieve a certain objective, but every possible obstacle has been placed in its path; its legislation has been held up by the Dominion Government or by reference to the Court. Every device has been used to thwart the Will of the People of Alberta.

Almost every country in the world is in a state of war or preparing for one. Solution of the Unemployment Problem and a state of so-called prosperity is being brought about by a programme of armament building, but by no other country except Alberta is the real cause of suffering humanity being fought.

We, the people of Alberta, are at war with International Finance. It is a war that is worth while because it means freedom and security for ourselves and our children for all time. It is a war in which human life need not and will not be sacrificed. We have so far answered those who seek to discredit us with three years of honest, progressive Government and persistent effort. We have answered the destructive criticism of old party politicians with the mellowed tones of sound reasoning. We have answered the mailed fist of money dictatorship with the padded glove of peaceful fellowship, but war may have many phases, and if our battle must finally be won by still more aggressive methods, better we do it now, so that our children may enjoy the heritage it will be our privilege to hand on, in peace and security.

There is no argument that the root cause of all our ills to-day, as it always has been, is lack of money, leading to war, unemployment, poverty, with all their attendant evils of murder, suicides, desperation and madness. The logical spot then at which to apply the cure is at the cause of our trouble. Even old party leaders are now telling us they too, believe we are right in our demands. If they enter the fight with their hands clean we welcome them. Social Credit is not a party issue and we must never permit it to become a party football. We are prepared to welcome people of every political creed into our ranks, but they must take up the fight on our terms and according to our rules.

We, who believe implicitly in the philosophy of this great movement, and the justice of our cause, believe that not only our province, but the Dominion and other countries of the world will gradually come to realise that only by removing the cause of the poverty, so widespread over the Dominion of Canada, can they ever hope to bring order out of the chaos which exists to-day. It is, therefore, not surprising to find men, who have in the past been leaders in the world of orthodox financing, having realised that its downfall is imminent, taking their places in the ranks of those who have challenged its power, and are determined to sever for all time the strangling effect its hold has on the very life of every country in the world.

Credit of Alberta Regulation Act

Why passed

1. Because there was widespread poverty and distress throughout Alberta.
2. Because Alberta, one of the richest provinces in the Dominion, could produce abundance for her people.
3. Because the only reason why Alberta's people were living in poverty was the lack of purchasing power.
4. Because such purchasing power should be made available to the people by using their own credit, as would enable them to obtain, at all times, what they wanted.

5. Because this could be done by a scientific balancing between money and goods produced.

6. Because control of Credit being, in the words of Hon. McKenzie King, "A public matter not of interest to bankers alone, but of direct concern to every citizen," credit policy should be vested in an authority responsible to the representatives of the people.

7. Because banks, being manufacturers of credit and functioning as public utility concerns, supplying a service of primary and vital importance to the lives of the citizens of Alberta, should be licensed and subjected to supervision only in regard to policy—the results they provide, and unless the people of Alberta can use the resources of their own Province as they desire, and determine the results which shall accrue to them, they have no property and civil rights in the full sense. (Banking administration being under Federal Jurisdiction was in no manner affected by the Act).

What happened

Disallowed by Federal Government August 17, 1937.

What it would have done

1. Would have secured the results demanded by the People—a lower cost to live, and monthly dividends.

2. Would have provided markets for Alberta manufacturers and traders.

3. Would have led to tremendous industrial development in manufacturing Alberta goods by processing Alberta produce.

4. Would have resulted in rapidly absorbing every unemployed person into useful employment and relieved the aged and infirm of the necessity of working for a living.

5. Would have led to increased business activity in which industrialists, wholesalers, retailers and banks would all have benefited.

6. Would have enabled taxation to be reduced drastically.

7. Would have made it possible to deal with the debt problems.

Bank Taxation Act

Why passed

1. Because, under the present system, the Government has one source of revenue only—Taxation.

2. Because the people of Alberta are already taxed beyond their ability to pay.

3. Because banks are the only institutions claiming the legal right to monetise the credit of The People to such an extent that they create and issue monetary credits many times in excess of the legal tender money they hold.

4. Because banks can thereby create money out of nothing.

5. Because the present method of taxation of individuals is confiscatory and unnecessary.

What happened

Assent withheld by Lieutenant Governor. Declared unconstitutional by Supreme Court of Canada. Appeal by Province from Supreme Court decision to Privy Council dismissed.

What it would have done

1. Would have placed over Two Million Dollars new money in circulation.

2. Would have permitted an equal amount, otherwise paid in taxes, to remain in the ordinary channels of industry, thus aiding employment and acting as a tremendous impetus to business generally, or,

3. Would have enabled the Government to embark on a six million dollar highway and market roads programme under the three way Dominion-Provincial-Municipal plan, or,

4. Would have provided a hospital and medical service in districts where those are not available, or,

5. Would have set up a fund for Crop Insurance, or,

6. Would have given decreased School Taxes.

7. Would have provided increased purchasing power for the People of Alberta.

Reduction and Settlement of Debt Act

Why passed

1. Because under the present financial system debt cannot be paid without creating new and larger debts. The People of Alberta possess only about 20c. for every dollar of debt—this they owe to the banks, and they can get no money except as a debt to the bankers.

2. Because private debts, largely due to accumulated interest, had increased to such an extent that they were out of all proportion to value received.

3. Because many outstanding debts had been incurred during the war (1914-18 phase) and immediate post-war years when values were high.

4. Because the original debt had already, in many cases, been paid in interest charges while the principal remained unchanged or showed little reduction.

5. Because people could no longer continue to pay interest of 8 to 10 per cent.

6. Because financial corporations refused to recognise that the inability of people to meet their obligations was due to lack of adequate returns on what they produced.

7. Because no people or country can prosper and progress so long as they labour under a burden of those who deal in money as a commodity.

What happened

Declared *ultra vires* of the Province by the Courts.

What it would have done

1. Would have established a basis of settlement for all outstanding debts.

2. Would have reduced all debt incurred previous to July, 1932, by applying all interest paid from that date to the passing of the act on reduction of principal.

3. Would have settled definitely the question involved in debts which had become uncollectable.

4. Would have led to a restoration of confidence and encouraged those who, through no fault of their own, were living in poverty and struggling against odds which they could not possibly overcome.

Act to Ensure Publication of Accurate News Information

Why passed

1. Because the control of news and the control of credit are both exercised by the financial interests.
2. Because "The freedom of the press" has become license to distort news, misrepresent facts and withhold information from the public.
3. Because this anti-social aspect of the press, under inspired direction, is being used to thwart the people of Alberta in their struggle against finance.

What happened

Assent withheld by Lieutenant-Governor. Declared unconstitutional by Supreme Court of Canada. In the appeal of the Province of Alberta from decision of Supreme Court of Canada, the Privy Council refused to hear Alberta's argument by their counsel.

What it would have done

1. Would have ensured that all newspapers in Alberta would publish all the facts in their news reports of Government matters so far as this was possible, and if from any cause false statements appeared, equal space would be given for authoritative correction.
2. Would have ensured that the same information which every publisher demands from correspondents to his columns, *i.e.*, the names of contributors of articles, would be available to The People when demanded by their representatives.

Home Owners Security Act

Why passed

1. Because under stress of world conditions and a falsified financial system, over which individuals had no control, many were forced to mortgage their homes.
2. Because conditions had changed since these loans

were received so that commodity and labour prices bore little relation to the continued high price of money.

3. Because there was grave danger of many Alberta Citizens losing their homes.

4. Because, in most cases, these homes represented the total life savings of many people.

5. Because it is just as much the duty of any Government to protect the homes of individual members of Society against the confiscatory practices of unscrupulous money-lenders as it is to defend its people against the invasion of a foreign aggressor.

6. Because there can be no Sanctity of Contract which does not recognise that human life has, at least, as much value as considerations of "money."

What happened

Disallowed by Mackenzie-King Government, June 15, 1938.

What it would have done

1. Would have prohibited foreclosures or sale under mortgage proceedings of any farm home.

2. Would have prohibited foreclosure or sale under mortgage proceedings of any home in a town, city or village, unless the plaintiff first deposited \$2,000 with the Court which would be paid to the owner, if dispossessed, to enable him to purchase another home.

3. Would have induced debtor and creditor alike to seek equitable basis of settlement through medium of the Debt Adjustment Board.

4. Would have enabled home-owners to enter into new contracts commensurate with their present ability to pay.

Security Tax Act—1938

Why passed

1. Because the Government required additional revenue for one year to replace the loss of revenue from the Bank Taxation Act before the Privy Council.

2. Because the additional revenue was essential to provide the people with the benefits they needed.

3. Because it was equitable that equitable companies and similar institutions should make good some of the taxation they have escaped for years.

4. Because the Government is pledged to the people to remove the burden of taxation from individuals; and until we gain control of our credit resources, this can be done only by transferring it to institutions which are better able to bear it.

What happened

Disallowed by Mackenzie-King Government, June 15, 1938.

What it would have done

1. Would have realised \$1,500,000—sufficient revenue to balance the Provincial Budget.

2. Would have helped the Government considerably to give tax relief, to provide additional relief projects, increase School Grants, and undertake many other benefits planned for the people.

Credit of Alberta Regulation Act (1937 Amendment)

Why passed

Because Credit of Alberta Regulation Act had been disallowed by the Dominion Government.

What happened

Assent withheld by Lieutenant-Governor. Declared unconstitutional by Supreme Court of Canada. In the appeal of the Province of Alberta from decision of Supreme Court of Canada, the Privy Council refused to hear Alberta's argument by their counsel.

What it would have done

Would have brought all the benefits of the Credit of Alberta Regulation Act, which it supplanted.